

CLEARY GOTTLIEB STEEN & HAMILTON LLP

2112 Pennsylvania Avenue, NW
Washington, DC 20037-3229

T: +1 202 974 1500
F: +1 202 974 1999

clearygottlieb.com

NEW YORK
PARIS
BRUSSELS
LONDON
FRANKFURT
COLOGNE
MOSCOW

D: +1 (202) 974-1519
alcollins@cgsh.com

<p>GEORGE S. CARY MITCHELL S. DUPLER GIOVANNI P. PREZIOSO MATTHEW D. SLATER DAVID I. GELFAND MICHAEL A. MAZZUCHI MARK W. NELSON D. BRUCE HOFFMAN ROBIN M. BERGEN DEREK M. BUSH BRIAN BYRNE PAUL D. MARQUARDT JEREMY CALSYN LEAH BRANDON MATTHEW C. SOLOMON KATHERINE COONEY CARROLL ELAINE EWING NOWELL L. BAMBERGER KENNETH C. REINKE ALEXIS COLLINS RESIDENT PARTNERS KENNETH L. BACHMAN, JR. DANIEL B. SILVER RICHARD DEC. HINDS SARA D. SCHOTLAND WILLIAM B. MCGURN III JOHN S. MAGNEY MARK LEDDY JOHN C. MURPHY, JR. DAVID M. BECKER JANET L. WELLER LINDA J. SOLDO MICHAEL H. KRIMMINGER SENIOR COUNSEL W. RICHARD BIDSTRUP STEVEN J. KAISER KATHLEEN WARD BRADISH CUNZHEN HUANG** CHASE D. KANIECKI MACEY LEVINGTON CARL LAWRENCE MALM CHARLES STERLING CARL F. EMIGHOLZ RESIDENT COUNSEL JOHN P. MCGILL, JR. MATTHEW I. BACHRACK LARRY WORK-DEMBOWSKI PATRICK FULLER SAIF I. SHAM MOHAMMED CHRISTIAN J. MAHONEY SENIOR ATTORNEYS GRAHAM BANNON HANI BASHOUR TAYLOR H. BATES ZACHARY BAUM ELSBETH BENNETT LINDEN BERNHARDT JORGE A. BONILLA LOPEZ MADISON C. BUSH SAMUEL H. CHANG CHINWE I. CHUKWUOGO EVERETT K. CORAOR LISA M. DANZIG KATHERINE DENBY BRANDON J. FIGG MEREDITH J. FINN CHRISTOPHER M. FITZPATRICK RACHEL FRANK ALAN B. FREEDMAN SAMUEL G. FULLER LAUREN E. GILBERT* V. NOAH GIMBER MELISSA GOHLKE LAUREL HATTIX SAVANNAH HAYNES* CHRISTOPHER J. HILDEBRAND JESSICA HOLLIS STEPHEN J. HOUCK RICHARD HUBER JAMES HUNSBERGER EUN SUN JANG SAMEER JAYWANT BRENDAN JORDAN BRIMI KESTEN ANDREW KLINE JOHN F. KOZAK TOBIAS A. KRAFT NAI-HANABE I.-KURKAB ELISE G. LANE GABRIEL J. LAZARUS ALEXIS R. B. LAZDA CLOTILDE LE ROY JOHN A. LIGHTBOURNE NICOLE S. LIN MOLLY MA NORA MCCLOSKEY ADEEL MOHAMMADI ADAM MOTIWALA JENNIFER E. PAUL ROBIN RABINOWITZ RICK REDMOND W. BENJAMIN REESE MARK ROHAN</p>	<p>BEN ROSENBLUM MICHAEL G. SANDERS MAX SCHECHTER MICHAEL SCHULMAN WILLIAM SEGAL GARRETT D. SHINN SARAH M. STANTON NICOLE TATZ ZACH TSCHIDA IAMAKA WIESEBORN JIM WINTERING HUANBING IZZY XU JEANNE-PALOMA ZELMATI IRIS MENGYAO ZHOU ASSOCIATES</p>
	<p>* Admitted only to a bar other than that of the District of Columbia. Working under the supervision of principals of the Washington office.</p> <p>** Special Legal Consultant, qualified in the People's Republic of China.</p>

June 9, 2020

VIA ECF

Honorable Pamela K. Chen
United States District Judge
United States District Court, Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

Re: *Freeman, et al. v. HSBC Holdings plc, et al.*, 18-cv-7359 ("Freeman II")
Bowman, et al. v. HSBC Holdings plc, et al., 19-cv-2146 ("Bowman")

Dear Judge Chen:

We represent Commerzbank AG ("Commerzbank") in the above-referenced cases. We write this pre-motion letter pursuant to Rule 3.A of Your Honor's Individual Practices and Rules in connection with Commerzbank's anticipated motion, pursuant to Federal Rule of Civil Procedure 54(b) and the Court's inherent authority to revise its interlocutory orders, requesting modification of the Court's Order dated June 5, 2020 (the "Order"), to dismiss Count 10 against Commerzbank for lack of personal jurisdiction.

The Court's Order dismissed all of the ATA claims and the JASTA conspiracy claims in these cases against all defendants, with the exception of defendant Bank Saderat plc, "[f]or the same reasons articulated in *Freeman I*." Order at 3. As the Court noted, this "includes dismissing Count 6 of the *Freeman II* and *Bowman* Complaints against Defendant Commerzbank for lack of personal jurisdiction," *id.*, based on Your Honor's prior ruling that allegations that Commerzbank transferred funds from the account of a German customer, "Orphans Project," to an organization in Lebanon known as the "Martyrs Foundation," failed to establish a basis for

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exercising specific personal jurisdiction over that claim, since “[n]one of the transactions Commerzbank allegedly executed for the Orphans Project were processed through the United States banking system or banks in New York,” Memorandum & Order at *15 (Sept. 16, 2019), *Freeman, et al. v. HSBC Holdings plc, et al.*, No. 14 Civ. 6601 (PKC) (CLP), ECF No. 237 (“*Freeman I*”).

The Court’s Order also dismissed the JASTA aiding and abetting claims, including Count 10 against Commerzbank, for failure to state a claim. Order at 3. In addressing Count 10, Your Honor noted that it suffers from the same jurisdictional deficiencies as Count 6, “which is based on the materially same facts,” but declined to dismiss the claim on that ground because “Commerzbank has not moved to dismiss the Tenth Claim for lack of personal jurisdiction under FRCP 12(b)(2).” *Id.* at 7 n.8.

Commerzbank respectfully requests that the Court modify the Order to also dismiss Count 10 for lack of personal jurisdiction. The Court has the ability to make such a revision because the Order resolved “the liabilities of fewer than all the parties,” and accordingly “does not end the action as to any of the claims or parties and *may be revised at any time before the entry of a judgment adjudicating all the claims and all the parties’ rights and liabilities.*” See Fed. R. Civ. P. 54(b) (emphasis added); *see also Buttaro v. City of New York*, 2017 WL 1906725, at *1 (E.D.N.Y. May 8, 2017) (“[S]o long as the district court has jurisdiction over the case, it possesses inherent power over interlocutory orders, and can reconsider them when it is consonant with justice to do so”) (citing *United States v. LoRusso*, 695 F.2d 45, 53 (2d Cir. 1982)). Non-final orders can be modified under Rule 54(b) where, as here, there was an inadvertent error by a party. *See Ng v. HSBC Morg. Corp.*, No. 07 Civ. 5434, 2014 WL 4699648, at *4 (E.D.N.Y. Sept. 22, 2014) (correcting motion order based on the defendants’ “genuine mistake” brought to the Court’s attention after motion order was issued).

Commerzbank moved to dismiss on the alternative ground of lack of personal jurisdiction in a footnote of defendants’ joint letter-motion. Defs. Jan. 6, 2020 Letter at 1 n.2, ECF No. 75 in *Freeman II* and ECF No. 34 in *Bowman*. Although Count 6 was named in this footnote and Count 10 was inadvertently omitted, Commerzbank requested dismissal “for the reasons set forth in the Court’s *Freeman I* Dismissal Order,” i.e., the absence of any non-conclusory allegations connecting the alleged transfers between Orphans Project and the Martyrs Foundation to the United States. *See id.* As the Court noted in the Order, these same allegations underlie both Count 6 and Count 10. Order at 7 n.8. Plaintiffs have also acknowledged that the same allegations of fact underlie both claims. Pls. Jan. 13, 2020 Letter at 2 n.1, ECF No. 76 in *Freeman II* and ECF No. 41 in *Bowman* (arguing that Count 6 in *Freeman I* should also be treated as a JASTA aiding and abetting claim and noting that it was “formally pleaded” this way in *Freeman II* and *Bowman*).

“[T]o preserve the defense of lack of personal jurisdiction, a defendant need only state the defense in its first responsive filing and need not articulate the defense with any rigorous degree of specificity.” *Mattel, Inc. v. Barbie-Club.com*, 310 F.3d 293, 307 (2d Cir. 2002) (citing *Transaero, Inc. v. La Fuerza Aerea Boliviana*, 162 F.3d 724, 730 (2d Cir. 1998)). Especially in light of this lenient standard and the abbreviated letter briefing that occurred, *see* Minute Order (Dec. 2, 2019), *Freeman II* and *Bowman*, Commerzbank respectfully submits that the personal jurisdiction defense it raised in the joint letter-motion was sufficient to preserve that defense as

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to Count 10 in addition to Count 6. To prevent manifest injustice, the Court should therefore revise its Order to also dismiss Count 10 for lack of personal jurisdiction. *See Ng*, 2014 WL 4699648, at *1.

Respectfully submitted,

/s/ Alexis Collins
Alexis Collins

cc: All Counsel of Record (via ECF)